THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (c) The issue of participation of IFFCO and KRIBHCO in the disinvestment process is under examination of the Government.

**Accountability of fertilizer companies**

2391. PROF. M. SANKARALINGAM: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that fertilizer manufacturing companies have recently been made accountable for the first time for their efficiency;

(b) if so, the details in this regard and the impact of the same on the fertilizer industry;

(c) the details of the innovative measures taken by Government, to give a boost to the fertilizer industry; and

(d) what are the salient features of the Fertilizer Policy, with specific reference to subsidies?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (d) Improving the efficiency of fertilizer companies is an on-going exercise of the Government for keeping the subsidy burden under control. Keeping that in mind, policy parameters governing the determination of retention prices of urea units were recently revised for the 7th and 8th pricing periods. Government is also in the process of formulating a new pricing policy for urea units keeping in view the recommendations of the Expenditure Reforms Commission for replacing the existing Retention Price Scheme. The proposed new pricing policy will aim at greater transparency, efficiency and uniformity in subsidy disbursement to urea units and will also induce them to take cost reduction measures on their own to be competitive.

**Botanical and Bio-fertilizer units**

2392. SHRI RAJKUMAR DHOOT: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether more emphasis is proposed to be given to the development of botanical and bio-fertilizer units in the new fertilizer policy; and

(b) if so, the details of such units to be developed during the next two years, the production capacity, fertility and selling price, as compared to chemical fertilizers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRITAPAN SIKDAR): (a) and (b)The Government is in the process of formulating a long term fertilizer policy which will dwell, *inter alia,* on joint ventures, removal of distribution controls on urea, balanced fertilization, eco-friendly fertilizer use and promotion of bio-fertilizers.

**GoM Recommendations on Closure of Fertilizer units**

2393. SHRI GAYA SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the Group of Ministers has recommended closure of a large number of fertilizer units in the country;

(b) if so, what are the details of these units, the financial performance of each of them during the last three years and the number of workers employed by each of them; and

(c) whether there have been any arrears of wages and other statutory dues to the employees; if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRITAPAN SIKDAR): (a) Yes, Sir.The Government have decided to close down Hindustan Fertilizer Corporation Ltd. (HFC); Fertilizer Corporation of India Ltd. (FCI) excepting its Jodhpur Mining Organisation; and Dehradun and Saladipura units of Pyrites, Phosphates and Chemicals Ltd. (PPCL).

(b) and (c) The accumulated losses of HFC, FCI and PPCL as on 31.3.2002 were Rs. 6725.88 crore, Rs.7921.00 crore and Rs. 444.98 crore and a manpower of 4884, 5712 and 432 as on 30.9.2002, respectively. The Government has been providing budgetary support to these companies for meeting the expenditure on salary/wages including statutory dues of their employees. The employees of these companies have been offered benefits under the Voluntary Separation Scheme.